

REQUEST FOR EXPRESSION OF INTEREST – QUESTIONS AND RESPONSES

The State Treasurer (State) accepted questions on the Request for Expression of Interest (RFEI) for the redevelopment of the former Greystone Psychiatric Hospital through May 10, 2013. The questions and responses are as follows:

1. QUESTION: Do the re-development scenarios proposed in the Urban Partners' feasibility assessment report qualify as "historic preservation" under Public Law 2001, Chapter 345?

RESPONSE: The State is informed that Urban Partners' analysis did not factor in the use restrictions on the property related to the above Public Law. As stated in Section 5 of the report, Urban Planners' underlying assumption was that an amendment to the legislation must be adopted by the State Legislature.

2. QUESTION: According to your current estimates, the taxpayers would pay an additional \$7-\$10 million to demolish the Kirkbride Building if no deal can be reached with a re-developer. This figure does not appear in the Feasibility Study, to my knowledge. In order to avoid these additional costs, will the State consider reducing, or waiving the \$6.5 million asked of the re-developer for reimbursement or environmental remediation costs, if that's what it takes to make a deal possible?

Similarly, will the State take on costs for building stabilization and site work, up to the cost of demolition, if that's what it takes to make a deal possible, and avoid these additional costs?

RESPONSE: The State will consider all options.

3. QUESTION: We are under the impression that in partnership with Morris County, financing for the project will be provided through bonds made available through the State Economic Development Authority (EDA), including redevelopment bonds and open space funding. I understand that the State would retain ownership of the site until the bonds are retired. Would you be so kind as to verify this and explain in more detail how we may have access to these funds if we are approved.

RESPONSE: The RFEI neither indicates nor is intended to indicate that the State, in partnership with Morris County, will provide access to bond funds made available through the EDA, including redevelopment bonds and open space funding. As to whether the State would retain ownership of the site until the bonds, if any, are retired, the State will do so if necessary or efficacious. However, the ultimate disposition of the site remains under consideration and is presently undecided.

4. QUESTION: Are there any other sources of funding that would be made available to us such as Green Acres Funding and/or the Garden State Preservation Trust, etc.? Please advise us as to all our options.

RESPONSE: The purpose and intent of this RFEI is to obtain recommendations for the economically, self-sustaining redevelopment of the Kirkbride Building into a usable structure, while maintaining its historic significance. Correspondingly it is up to the RFEI responders to identify feasible sources of funding and provide the State with viable options for any such redevelopment.

5. QUESTION: We are under the impression that \$6,500,000 would be made available to be applied for asbestos and other environmental issues associated with the main building. Please elaborate.

RESPONSE: The \$6,500,000 is the current, estimated costs for the remediation of the Kirkbride Building. It is neither available nor should it be considered a source of funding. Rather any responder should consider that the estimated \$6, 500,000 may be a reimbursement to the State.

6. QUESTION: How would the demolition and other environmental issues associated with the other buildings be handled?

RESPONSE: The State will handle the demolition and environmental issues associated with the buildings, other than the Kirkbride Building.